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Counsel for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

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<i>In re</i>	:	Chapter 11
	:	
THE McCLATCHY COMPANY, et al.,	:	Case No. 20-10418 (MEW)
	:	
Debtors.¹	:	(Jointly Administered)
	:	
-----	X	

¹ The last four digits of Debtor The McClatchy Company’s tax identification number are 0478. Due to the large number of debtor entities in these jointly administered chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <http://www.kccllc.net/McClatchy>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: 2100 Q Street, Sacramento, California 95816.



NOTICE OF AUCTION AND APPROVAL HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On February 13, 2020,² The McClatchy Company and certain of its affiliates, the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**,” the “**Company**,” or “**McClatchy**”), each filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”).

2. On May 5, 2020, the Debtors filed a motion (the “**Motion**”) seeking, among other things: (i) entry of an order (the “**Bidding Procedures Order**”) approving the bidding procedures (the “**Bidding Procedures**”) for the potential sale (a “**Sale Bid**”) of all or substantially all or a portion of the Debtors’ non-cash assets (the “**Acquired Assets**”) or, in the alternative, for sponsorship proposals with respect to a chapter 11 plan of reorganization for the Debtors (a “**Plan Bid**”); (ii) establishing procedures for the Debtors to designate a stalking horse bidder (the “**Stalking Horse Bidder**”) and to enter into a stalking horse agreement (a “**Stalking Horse Agreement**”) containing bid protections; (iii) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases (the “**Assumption and Assignment Procedures**”); (iv) approving the form and manner of notice of all procedures, protections, schedules, and agreements; and (v) scheduling a hearing (the “**Approval Hearing**”) to approve such Sale Bid or Plan Bid (the “**Transaction**”) [ECF No. 418].

3. On May 11, 2020, the Bankruptcy Court entered the Bidding Procedures Order [ECF No. 432]. The Bidding Procedures provide the following:

- **Auction.** If two or more Qualified Bids³ are received by the Final Bid Deadline, the Debtors will conduct an auction (the “**Auction**”) to determine the highest or otherwise best Qualified Bid. The Auction will begin on **July 8, 2020 at 10:00 a.m. prevailing Eastern Time** at the offices of counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, NY 10001, or such other place (which may be virtual) and time as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including the Stalking Horse Bidder, if any) and the Consultation Parties and their counsel. Only the Debtors, the Consultation Parties, and any Qualified Bidder that has submitted a Qualified Bid (including the Stalking Horse Bidder, if any) by no later than **July 1, 2020 at 11:59 p.m. prevailing Eastern Time** (the “**Final Bid Deadline**”), in

² On March 24, 2020 (the “**Additional Petition Date**”) the Debtors’ affiliate, Oak Street Redevelopment Corporation (“**Oak Street**”), also commenced a case by filing a chapter 11 petition. As used herein, the term “**Petition Date**” encompasses the Additional Petition Date and the term “**Chapter 11 Cases**” includes the Oak Street chapter 11 case, which is being jointly administered with the Debtors’ chapter 11 cases commenced on February 13, 2020. See Order (I) Directing Joint Administration of Cases and (II) Waiving Requirements of Bankruptcy Code Section 342(c)(1) and Bankruptcy Rules 1005 and 2002(n) [ECF No. 265].

³ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the Bidding Procedures Order, as applicable.

each case, along with their representatives and counsel, and such other parties as the Debtors shall determine, in consultation with the Consultation Parties, shall attend the Auction and only such Qualified Bidders (including the Stalking Horse Bidder, if any) will be entitled to make any bids at the Auction. Any party that wishes to take part in this process and submit a bid for the Debtors' assets must submit their competing bid prior to the Final Bid Deadline and in accordance with the Bidding Procedures. If two or more Qualified Bids are not received by the Final Bid Deadline, the Debtors may, after consulting with the Consultation Parties, determine not to conduct the Auction. If only one Qualified Bid is received by the Final Bid Deadline, the Debtors may, after consulting with the Consultation Parties, select the Modified Acquisition Agreement or the Plan Bid Agreement of such Qualified Bidder to be the Successful Bid and such Qualified Bidder shall be the Successful Bidder.

- **Approval Hearing.** The Approval Hearing will commence on **July 24, 2020, at 11:00 a.m., prevailing Eastern Time**, before the Honorable Michael E. Wiles of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408. The Approval Hearing may be adjourned by the Debtors, in consultation with the Consultation Parties, from time to time, upon the filing of a notice of adjournment on the Bankruptcy Court's docket of the date scheduled for the Approval Hearing.
- **Objection Deadline.** Objections, if any, to the approval of the Successful Bid must be made by **July 20, 2020, at 4:00 p.m., prevailing Eastern Time** (the "**Objection Deadline**"). All objections must: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the Court no later than the Objection Deadline and served on (i) counsel to the Debtors, (ii) counsel to the Consultation Parties, (iii) counsel to the Successful Bidder and (iv) any other entity on the Master Service List (as defined in the case management order in these Chapter 11 Cases [ECF No. 106]). **UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED WITHOUT FURTHER HEARING AND NOTICE.**

4. This Notice and the Approval Hearing is subject to the fuller terms and conditions of the Motion and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of all or substantially all of the Debtors' assets and/or copies of any related document, including the Motion or the Bidding Procedures Order, may make a written request to counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, New York, New York 10001, Attn.: Shana A. Elberg (shana.elberg@skadden.com) and Bram A. Stochlic (bram.stochlic@skadden.com), 300 South Grand Avenue, Suite 3400, Los Angeles, California 90071, Attn.: Van C. Durrer, II (van.durrer@skadden.com), and Destiny N. Almogue (destiny.almogue@skadden.com) and 525

University Avenue, Palo Alto, California 94301 Attn.: Jennifer Madden (jennifer.madden@skadden.com). In addition, copies of the Motion, the Bidding Procedures Order and this Notice can be found (i) at www.kccllc.net/McClatchy; and (ii) through PACER on the Court's website, <https://ecf.deb.uscourts.gov> (registration required), and are on file with the Clerk of the Bankruptcy Court, One Bowling Green, New York, NY 10004.

Dated: New York, New York
May 13, 2020

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

/s/ Van C. Durrer, II

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